

FOUNDATION IN BUSINESS TAXATION – FA21 CHANGES GUIDE

FA21 Ch	FA20 Ch	Topic	Major changes	Minor changes	No changes	Notes
1	1	Introduction to Business Entities			✓	
2	2	The Basics of Calculating Income Tax			✓	
3	3	The Basics of Accounting			✓	
4	4	Adjustment of profit – General principles			✓	
5	5	Common Adjustments			✓	
6	6	Current Year Basis			✓	
7	7	Capital Allowances - Definitions			✓	
8	8	Capital Allowances – Basic Computations			✓	

9	9	Capital Allowances – First Year Allowances & the Annual Investment Allowance		✓		AIA limit remains £1million until 31 December 2021. It is £200,000 from 1 January 2022.
10	10	Capital Allowances – Special Rate Pool			✓	
11	11	Capital Allowances – Cars & Other Aspects		✓		Changes in CO ₂ emission levels when determining which pool expenditure on cars is entered into (main pool – not more than 50 g/km; special rate pool – greater than 50g/km)
12	12	Sole Traders & Self Assessment			✓	
13	13	Sole Traders - Payment Dates & Penalties			✓	
14	14	Trading Losses for Sole Traders		✓		Temporary extension of carry back of trade losses to three years is available for losses in 2020/21 and 2021/22.
15	15	Introduction to Partnerships			✓	
16	16	Partnership Changes			✓	

17	17	Partnership Losses		✓		Temporary extension of carry back of trade losses applies to partnership losses.
18	18	Simplification Measures		✓		Reference to temporary extension of carry back of trade losses.
19	19	Classes 2 & 4 National Insurance Contributions		✓		Updated for changes to thresholds.
20	20	Introduction to CT			✓	
21	21	Computation of CT			✓	
22	22	Long Periods of Account			✓	
23	23	CTSA			✓	
24	24	Payment of CT			✓	
25	25	Loan Relationships			✓	
26	26	Trading Losses for Companies		✓		Temporary extension to loss carry back rules.
27	27	Corporate Capital Gains			✓	

28	28	VAT General Principles			✓	
29	29	Registration			✓	
30	30	Time of Supply/Tax Point			✓	
31	31	VAT Records & Returns			✓	